

AS

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-190-C - ORDER NO. 96-658
SEPTEMBER 19, 1996

IN RE: Application of American Communications) ORDER
Services, Inc. on behalf of American) GRANTING
Communication Services of Spartanburg,) CERTIFICATE
Inc. for a Certificate of Public)
Convenience and Necessity to Provide)
Intrastate Private Line and Special)
Access Services.)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of American Communications Services, Inc. (ACSI or the Company) on behalf of its affiliate American Communication Services of Spartanburg, Inc. for a Certificate to provide intrastate Private Line and Special Access Services within a portion of the State of South Carolina.

By letter, the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing, one time, in newspapers of general circulation in the area affected by the Company's Application. The Notice of Filing indicated the nature of the Company's Application and advised all interested parties desiring participation in the scheduled proceeding of the manner and time in which to file the appropriate pleadings. The Company furnished affidavits demonstrating that the Notice had been duly published.

A Petition to Intervene was received from BellSouth Telecommunications, Inc. (BellSouth).

By its Application, ACSI seeks a Certificate of Public Convenience and Necessity for its Spartanburg subsidiary to provide intrastate Special Access and Private Line Services in areas served by BellSouth in the Spartanburg area.

A public hearing was held on the Company's Application on September 12, 1996, with the Honorable Guy Butler, Chairman, presiding. ACSI was represented by Russell B. Shetterly, Esquire, the Intervenor BellSouth was present, but chose not to participate actively in the proceeding. The Commission Staff (the Staff) was represented by F. David Butler, General Counsel.

ACSI presented the direct testimony of James Falvey, Vice President for Regulatory Affairs for ACSI. Neither BellSouth, nor the Staff presented witnesses. Falvey testified that ACSI is a competitive access provider (CAP) which seeks to compete with local exchange companies (LECs) for the provision of certain local services. In the present case, ACSI requests a Certificate of Public Convenience and Necessity to compete with BellSouth in its territories in the Spartanburg area for Private Line and Special Access customers, a limited portion of BellSouth's overall business.

Falvey noted that the Commission had granted this authority to ACSI's Greenville, Columbia, and Charleston subsidiaries, pursuant to Order No. 95-1459, issued August 31, 1995. Falvey testified that ACSI has the financial, technical, and managerial

resources, the experience and the ability to provide the services described in the Application. Falvey testified further that the service was in the public interest, in that there would be numerous public benefits of ACSI's proposed intrastate service. Some of these advantages would include route diversity, network reliability, enhanced security, redundancy, price competition, and expanded choice between services and providers.

Falvey further testified that the ACSI system provides state of the art fiber optic clarity, speed, diversity of access, and complete reliability of service with automatic standby and rerouting in the event of system failure. According to Falvey, the network is designed to provide customers two completely diverse routes, offering customers access to telecommunications services, even in the event of a fiber cable cut. According to Falvey, if a system failure occurs, service will be restored automatically within less than 50 milliseconds, usually without any detectable service interruption to the end-user. Falvey states that the services that the non-switched Special Access and Private Line Services include are the transmission of high speed voice data and video communications to users in South Carolina.

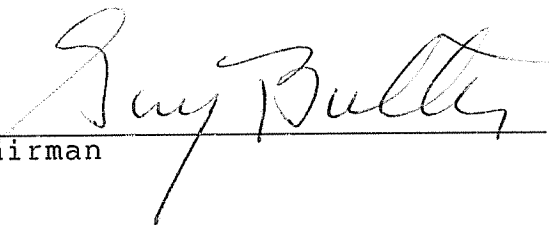
In Order No. 95-1459, we found that ACSI was fit to provide the service proposed. We also applied two additional standards that we found that ACSI met in that case. These standards appeared in the TSI case, Docket No. 81-28-C. These are 1) The prevention of wasteful duplication of facilities and services, and 2) The protection of the consuming public from receiving

inadequate service. These criteria were also utilized by the Commission in a later GTE docket, Docket No. 84-10-C.

We have examined the entire record in this case, including the testimony and exhibits, and we believe that ACSI of Spartanburg should receive a Petition of Public Convenience and Necessity as requested, and that it is fit, willing, and able to provide the service proposed. Further, we find that no wasteful duplication of facilities and services occurs, and that with the redundancy present in the present system, that the consuming public is protected from receiving inadequate service. We therefore grant the authority sought by ACSI in its Application as filed, based on the record in this case.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)